CITY OF BISMARCK DEFERRED SICK LEAVE FUND **INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2006**

						1												Current	Prior Year	3 Years	5 Years
	June-06				March-06				December-05				September-05				FYTD	FY05	Ended	Ended	
	Market Value	Alloca Actual		Quarter Net ROR I	Month	Market Value	Alloca Actual		Quarter Net ROR	Market Value	Alloca Actual		Quarter Net ROR	Market Value	Alloca Actual		Quarter Net ROR	Net	Net	6/30/2006 Net	6/30/2006 Net
LARGE CAP DOMESTIC EQUITY	Warket value	Actual	1 Olicy	Netron	NOI NOIN	Warket value	Actual	1 Olicy	Net Kok	Warket value	Actual	1 Olicy	Net Kok	Warket value	Actual	1 Olicy	Netron	INCL	INCL	1461	IVEL
Structured Growth																					
Los Angeles Capital	15,901	2.1%	2.3%	-2.57%	0.29%	16,864	2.3%	2.3%	4.95%	16,922	2.3%	2.3%	3.06%	16,753	2.3%	2.3%		11.12%	7.56%	N/A	N/A
Total Structured Growth Russell 1000 Growth	15,901	2.1%	2.3%	-2.57% -3.90%	0.29% -0.39%	16,864	2.3%	2.3%	4.95% 3.09%	16,922	2.3%	2.3%	3.06% 2.98%	16,753	2.3%	2.3%	5.45% 4.01%	11.12% 6.12%	7.56% 1.68%	12.01% 8.35%	-0.32% -0.76%
				-3.90%	-0.39%				3.09%				2.90%				4.01%	0.12%	1.00%	0.33%	-0.76%
Structured Value LSV	16.967	2.3%	2.3%	1.25%	1.12%	17.461	2.3%	2.3%	6.54%	16,392	2.2%	2.3%	1.52%	16,868	2.3%	2.3%	5.06%	15.05%	18.35%	21.14%	12.22%
Russell 1000 Value	. 0,001	2.070	2.070	0.59%	0.64%	,	2.070	2.070	5.93%	.0,002	,	2.070	1.27%	. 0,000	2.070	2.070	3.88%	12.10%	14.06%	15.70%	6.89%
Russell 1000 Enhanced Index																					
LA Capital	31,070	4.2%	4.5%	-2.36%	0.55%	31,294	4.2%	4.5%	4.96%	33,615	4.6%	4.5%	2.29%	33,459	4.6%	4.5%	6.45%	11.58%	7.93%	N/A	N/A
Russell 1000				-1.66%	0.13%				4.49%				2.12%				3.95%	9.08%	7.92%	N/A	N/A
S&P 500 Enhanced Index																					
Westridge	36,548	4.9%	4.5%		0.15%	36,452	4.9%	4.5%	4.26%	34,966	4.8%	4.5%	2.10%	32,396	4.5%	4.5%		8.77%	6.58%	N/A	N/A
S&P 500				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	N/A	N/A
Index State Street	11.303			-0.58%	1.06%	11.179			4.19%	10.730			2.07%	10.732			3.58%	9.51%	6.27%	11.47%	2.62%
Total Index	11,303	1.5%	1.5%	-0.58%	1.06%	11,179	1.5%	1.5%	4.19%	10,730	1.5%	1.5%	2.07%	10,732	1.5%	1.5%		9.51%	6.27%	11.47%	2.62%
S&P 500	,550	,3	,0	-1.44%	0.14%	,	,	,0	4.21%	.5,.50	,3	,0	2.09%	.0,.02	,3	,0	3.60%	8.63%	6.32%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	111.789	15.1%	15.0%	-1.39%	0.51%	113.249	15.1%	15.0%	4.88%	112.625	15.3%	15.0%	2.20%	110.208	15.2%	15.0%	4.97%	10.95%	8.89%	13.63%	3.95%
S&P 500	,			-1.44%	0.14%	110,210		101070	4.21%		10.07	101070	2.09%	,		,	3.60%	8.63%	6.32%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY																					
Manager-of-Managers	05.044	4.00/	5.0 0/	E 0.40/	0.450/	20.007	E 00/	5.00 /	10.040/	07.040	5.00 /	5.00 /	0.000/	00.004	E 40/	5.00 /	E 400/	40.500/	0.000/	40.000/	7.040/
SEI Russell 2000 + 200bp	35,214	4.8%	5.0%	-5.84% -4.54%	-0.45% 0.81%	38,837	5.2%	5.0%	13.24% 14.49%	37,019	5.0%	5.0%	0.98% 1.64%	36,621	5.1%	5.0%	5.49% 5.21%	13.58% 16.86%	9.32% 11.64%	18.20% 21.06%	7.84% 10.38%
·	35.214	4.8%	F 00/			20.027	5.2%	F 00/		27.040	F 00/	F 00/		20.024	F 40/	F 00/		13.58%	9.32%		
TOTAL SMALL CAP DOMESTIC EQUITY Russell 2000	35,214	4.8%	5.0%	-5.84% -5.02%	-0.45% 0.64%	38,837	5.2%	5.0%	13.24% 13.94%	37,019	5.0%	5.0%	0.98% 1.13%	36,621	5.1%	5.0%	5.49% 4.69%	13.58% 14.58%	9.45%	18.20% 18.70%	7.86% 8.50%
INTERNATIONAL EQUITY																					
Large Cap - Active																					
Capital Guardian	28,702	3.9%	4.0%	-2.84%	0.26%	30,203	4.0%	4.0%	7.20%	34,259	4.7%	4.0%	9.66%	30,583	4.2%	4.0%		28.07%	10.32%	20.99%	6.90%
LSV	27,686	3.7%	4.0%	-1.56%	-3.14%	31,371	4.2%	4.0%	11.23%	30,422	4.1%	4.0%	4.34%	30,810	4.3%	4.0%		27.09%	N/A	N/A	N/A 12.63 %
Total Large Cap - Active MSCI EAFE - 50% Hedged	56,388	7.6%	8.0%	-2.17% -1.29%	-1.48% 0.67%	61,574	8.2%	8.0%	9.20% 9.20%	64,681	8.8%	8.0%	6.99% 5.84%	61,393	8.5%	8.0%	11.70% 11.07%	27.66% 26.72%	13.23% 14.41%	21.92% 22.56%	6.89%
				1.2070	0.0770				0.2070				0.0 170					20.7270		22.0070	0.0070
Small Cap - Value																					
Lazard	6,948	0.9%	1.0%		-0.81%	8,087	1.1%	1.0%	10.94%	7,596	1.0%	1.0%	3.01%	7,364	1.0%	1.0%		23.65%	18.18%	28.06%	N/A N/A
Citigroup Broad Market Index < \$2BN				-3.13%	-2.20%				9.34%				8.94%				12.05%	29.28%	21.33%	32.40%	N/A
Small Cap - Growth Vanguard	6,965	0.9%	1.0%	-1.88%	-2.15%	7,818	1.0%	1.0%	13.70%	7,843	1.1%	1.0%	4.92%	7,451	1.0%	1.0%	10.41%	29.24%	24.11%	32.39%	N/A
Citigroup Broad Market Index < \$2BN	0,500	0.070	1.070	-3.13%	-2.20%	7,010	1.070	1.070	9.34%	7,040	1.170	1.070	8.94%	7,401	1.070	1.070	12.05%	29.28%	21.33%	32.40%	N/A
TOTAL INTERNATIONAL EQUITY	70,301	9.5%	10.0%	-2.18%	-1.57%	77,479	10.4%	10.0%	9.83%	80,121	10.9%	10.0%	6.40%	76,208	10.5%	10.0%	11.40%	27.35%	15.34%	23.83%	8.67%
MSCI EAFE - 50% Hedged				-1.29%	0.67%				9.20%				5.84%	-			11.07%	26.72%	14.41%	22.56%	6.89%
DOMESTIC FIVED INCOME																					
DOMESTIC FIXED INCOME Core Bond																					
Western Asset	168,278	22.7%	21.7%	-0.34%	0.23%	166,288	22.2%	21.7%	-0.44%	161,193	22.0%	21.7%	0.28%	159,455	22.0%	21.7%	-0.41%	-0.90%	7.14%	7.36%	8.59%
Lehman Aggregate	,			-0.08%	0.21%				-0.65%				0.59%				-0.67%	-0.81%	6.80%	2.05%	4.97%
Index																					
Bank of ND	151,817	20.5%	21.7%		0.24%	148,848	19.9%	21.7%	-0.95%	145,027	19.8%	21.7%	0.56%	147,431	20.4%	21.7%		-1.14%	4.59%	1.14%	4.90%
Lehman Gov/Credit (1)				-0.14%	0.23%				-1.01%				0.60%				-0.96%	-1.52%	4.80%	1.04%	4.78%
BBB Average Quality																					
Wells Capital (formerly Strong) Lehman US Credit BAA	167,999	22.7%	21.7%		0.10%	165,732	22.2%	21.7%	-1.02%	160,857	21.9%	21.7%	0.58%	157,644	21.8%	21.7%		-2.11%	9.14%	2.63%	N/A
Lenman US Credit BAA				-0.60%	0.16%				-1.20%				0.39%				-0.97%	-2.37%	8.60%	2.63%	N/A
TOTAL DOMESTIC FIXED INCOME	488,093	65.9%	65.0%	-0.33%	0.20%	480,868	64.3%	65.0%	-0.79%	467,077	63.6%	65.0%	0.46%	464,531	64.2%	65.0%	-0.73%	-1.39%	6.14%	6.59%	7.79%
Lehman Aggregate (2)				-0.08%	0.21%	,			-0.65%	,			0.59%	,			-0.67%	-0.81%	7.26%	1.84%	5.28%
CASH EQUIVALENTS	2E E04	1 00/	5 00/	1 260/	0.439/	27 250	E 00/	E 00/	1 470/	27 240	E 40/	5 OO/	1.070/	26 224	E 00/	E 00/	0.038/	4 500/	2 460/	2 740/	2 420/
Bank of ND 90 Day T-Bill	35,524	4.8%	5.0%	1.26% 1.16%	0.42% 0.38%	37,359	5.0%	5.0%	1.17% 1.03%	37,342	5.1%	5.0%	1.07% 0.92%	36,331	5.0%	5.0%	0.93% 0.83%	4.50% 4.00%	2.46% 2.15%	2.71% 2.37%	2.42% 2.25%
TOTAL DEFERRED SICK LEAVE FUND	740,922	100.0%	100.0%		0.06%	747,792	100.0%	100.0%	1.92%	734,184	100.0%	100.0%	1.34%	723,898	100.0%	100.0%		4.30%	6.75%	6.64%	5.41%
POLICY TARGET BENCHMARK				-0.57%	0.28%				1.84%				1.40%				1.47%	4.18%	7.00%	6.03%	5.30%

NOTE: Monthly returns and market values are preliminary and subject to change.

⁽¹⁾ From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index. (2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.